

Consumer Protection Act, 1986

Chapter 01 - CHAPTER 01: PRELIMINARY

SECTION 01: SHORT TITLE, EXTENT, COMMENCEMENT AND APPLICATION(1) This Act may be called the Consumer Protection Act, 1986.(2) It extends to the whole of India except the State of Jammu and Kashmir.(3) It shall come into force on such date as the Central Government may, by notification, appoint and different dates may be appointed for different States and for different provisions of this Act.(4) Save as otherwise expressly provided by the Central Government by notification, this Act shall apply to all goods and services.

SECTION 02: DEFINITIONS(1) In this Act, unless the context otherwise requires,-1[(a) "appropriate laboratory" means a laboratory or organisation-(i) recognised by the Central Government;(ii) recognised by a State Government, subject to such guidelines as may be prescribed by the Central Government in this behalf; or(iii) any such laboratory or organisation established by or under any law for the time being in force, which is maintained, financed or aided by the Central Government or a State Government for carrying out analysis or test of any goods with a view to determining whether such goods suffer from any defect;]2[(aa) "branch office" means-(i) any establishment described as a branch by the opposite party; or(ii) any establishment carrying on either the same or substantially the same activity as that carried on by the head office of the establishment;](b) "complainant" means-(i) a consumer; or(ii) any voluntary consumer association registered under the Companies Act, 1956 (1 of 1956)or under any other law for the time being in force; or(iii) the Central Government or any State Government;3[(iv) one or more consumers, where there are numerous consumers having the same interest;] who or which makes a complaint;4(v) in case of death of a consumer, his legal heir or representative;(c) "complaint" means any allegation in writing made by a complainant that-6[(i) an unfair trade practice or a restrictive trade practice has been adopted by 5["any trader or service provider"];](ii)7[the goods bought by him or agreed to be bought by him] suffer from one or more defects;(iii)8[the services hired or availed of or agreed to be hired or availed of by him] suffer from deficiency in any respects;9(iv) a trader or the service provider, as the case may be, has charged for the goods or for the services mentioned in the complaint, a price in excess of the price"(a) fixed by or under any law for the time being in force;(b) displayed on the goods or any package containing such goods;(c) displayed on the price list exhibited by him by or under any law for the time being in force;(d) agreed between the parties;9(v) goods which will be hazardous to life and safety when used are being offered for sale to the public,"(a) in contravention of any standards relating to safety of such goods as required to be complied with, by or under any law for the time being in force;(b) if the trader could have known with due diligence that the goods so offered are unsafe to the public;9(vi) services which are hazardous or likely to be hazardous to life and safety of the public when used, are being offered by the service provider which such person could have known with due diligence to be injurious to life and safety;(d) "consumer" means any person who,-(i) buys any goods for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any user of such goods other than the person who buys such goods for consideration paid or promised or partly paid or partly promised, or under any system of deferred payment when such use is made with the approval of such person, but does not include a person who obtains such goods for resale or for any commercial purpose; or(ii) hires11[or avails of] any services for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any beneficiary of such services other than the person who hires 11[or avails of] the services for consideration paid or promised, or partly paid and partly promised, or under any system of deferred payment, when such services are availed of with the approval of the first mentioned person 12["but does not include a person who avails of such services for any commercial purpose."13Explanation."For the purposes of this clause, "commercial purpose" does not include use by a person of goods bought and used by him and services availed by him exclusively for the purposes of earning his livelihood by means of self-employment;(e) "consumer dispute" means a dispute where the person against whom a complaint has been made, denies or disputes the allegations contained in

the complaint;(f) "defect" means any fault, imperfection or shortcoming in the quality, quantity, potency, purity or standard which is required to be maintained by or under any law for the time being in force or¹¹[under any contract, express or implied, or] as is claimed by the trader in any manner whatsoever in relation to any goods;(g) "deficiency" means any fault, imperfection, shortcoming or inadequacy in the quality, nature and manner of performance which is required to be maintained by or under any law for the time being in force or has been undertaken to be performed by a person in pursuance of a contract or otherwise in relation to any service;(h) "District Forum" means a Consumer Dispute Redressal Forum established under clause (a) of section 9-;(i) "goods" means goods as defined in the Sale of Goods Act, 1930 (3 of 1930);¹⁵(j) "manufacturer" means a person who"(i) makes or manufactures any goods or parts thereof; or(ii) does not make or manufacture any goods but assembles parts thereof made or manufactured by others; or(iii) puts or causes to be put his own mark on any goods made or manufactured by any other manufacturer;¹⁶(jj) "member" includes the President and a member of the National Commission or a State Commission or a District Forum, as the case may be;](k) "National Commission" means the National Consumer Disputes Redressal Commission established under clause (c) of section 9-;(l) "notification" means a notification published in the Official Gazette;(m) "person" includes,-(i) a firm whether registered or not;(ii) a Hindu undivided family;(iii) a co-operative society;(iv) every other association of persons whether registered under the Societies Registration Act, 1860 (21 of 1860) or not;(n) "prescribed" means prescribed by rules made by the State Government or as the case may be, by the Central Government under this Act;¹⁷(nn) "regulation" means the regulations made by the National Commission under this Act;¹⁷(nnn) "restrictive trade practice" means a trade practice which tends to bring about manipulation of price or its conditions of delivery or to affect flow of supplies in the market relating to goods or services in such a manner as to impose on the consumers unjustified costs or restrictions and shall include"(a) delay beyond the period agreed to by a trader in supply of such goods or in providing the services which has led or is likely to lead to rise in the price;(b) any trade practice which requires a consumer to buy, hire or avail of any goods or, as the case may be, services as condition precedent to buying, hiring or availing of other goods or services;";(o) "service" means service of any description which is made available to potential¹⁸["users and includes, but not limited to, the provision of "] facilities in connection with banking, financing, insurance, transport, processing, supply of electrical or other energy, board or lodging or both,¹⁶[housing construction,] entertainment, amusement or the purveying of news or other information, but does not include the rendering of any service free of charge or under a contract of personal service;²⁰(oo) "spurious goods and services" means such goods and services which are claimed to be genuine but they are actually not so;(p) "State Commission" means a Consumer Disputes Redressal Commission established in a State under clause (b) of section 9-;(q) "trader" in relation to any goods means a person who sells or distributes any goods for sale and includes the manufacturer thereof, and where such goods are sold or distributed in package form, includes the packer thereof;²¹(r) "unfair trade practice" means a trade practice which, for the purpose of promoting the sale, use or supply of any goods or for the provision of any service, adopts any unfair method or unfair or deceptive practice including any of the following practices, namely :-(1) the practice of making any statement, whether orally or in writing or by visible representation which,-(i) falsely represents that the goods are of a particular standard quality, quantity, grade, composition, style or model;(ii) falsely represents that the services are of a particular standard, quality or grade;(iii) falsely represents any re-built, second-hand, renovated, reconditioned or old goods as new goods;(iv) represents that the goods or services have sponsorship, approval, performance, characteristics, accessories, uses or benefits which such goods or services do not have;(v) represents that the seller or the supplier has a sponsorship or approval or affiliation which such seller or supplier does not have;(vi) makes a false or misleading representation concerning the need for, or the usefulness of, any goods or services;(vii) gives to the public any warranty or guarantee of the performance, efficacy or length of life of a product or of any goods that is not based on an adequate or proper test thereof : Provided that where a defence is raised to the effect that such warranty or guarantee is based on adequate or proper test, the burden of proof of such defence shall lie on the person raising such defence;(viii) makes to the public a representation in a form that purports to be -(i) a warranty or guarantee of a product or of any goods or services; or(ii) a promise to replace, maintain or repair an article or any part thereof or to repeat or continue a service until it has achieved a specified result, if such purported warranty or guarantee or promise is materially misleading or if there is no reasonable prospect that such warranty, guarantee or promise will be carried out;(ix) materially misleads the public concerning the price at which a product or like

products or goods or services, have been or are, ordinarily sold or provided, and, for this purpose, a representation as to price shall be deemed to refer to the price at which the product or goods or services has or have been sold by sellers or provided by suppliers generally in the relevant market unless it is clearly specified to be the price at which the product has been sold or services have been provided by the person by whom or on whose behalf the representation is made;(x) gives false or misleading facts disparaging the goods, services or trade of another person. shall be deemed to be a statement made to the public by, and only by, the person who had caused the statement to be so expressed, made or contained;(2) permits the publication of any advertisement whether in any news- paper or otherwise, for the sale or supply at a bargain price, of goods or services that are not intended to be offered for sale or supply at the bargain price, or for a period that is, and in quantities that are, reasonable, having regard to the nature of the market in which the business is carried on, the nature and size of business, and the nature of the advertisement.(3) permits-(a) the offering of gifts, prizes or other items with the intention of not providing them as offered or creating impression that something is being given or offered free of charge when it is fully or partly covered by the amount charged in the trans- action as a whole;(b) the conduct of any contest, lottery, game of chance or skill, for the purpose of promoting, directly or indirectly, the sale, use or supply of any product or any business interest;23(3A) withholding from the participants of any scheme offering gifts, prizes or other items free of charge, on its closure the information about final results of the scheme.Explanation."For the purposes of this sub-clause, the participants of a scheme shall be deemed to have been informed of the final results of the scheme where such results are within a reasonable time published prominently in the same newspapers in which the scheme was originally advertised;(4) permits the sale or supply of goods intended to be used, or are of a kind likely to be used, by consumers, knowing or having reason to believe that the goods do not comply with the standards pre - scribed by competent authority relating to performance, composition, contents, design, constructions, finishing or packaging as are necessary to prevent or reduce the risk of injury to the person using the goods;(5) permits the hoarding or destruction of goods, or refuses to sell the goods or to make them available for sale or to provide any service, if such hoarding or destruction or refusal raises or tends to raise or is intended to raise, the cost of those or other similar goods or services.]23(6) manufacture of spurious goods or offering such goods for sale or adopting deceptive practices in the provision of services.(2) Any reference in this Act to any other Act or provision thereof which is not in force in any area to which this Act applies shall be construed to have a reference to the corresponding Act or provision thereof in force in such area.SECTION 03: ACT NOT IN DEROGATION OF ANY OTHER LAWThe provisions of this Act shall be in addition to and not in derogation of the provisions of any other law for the time being in force.